LOWENSTEIN SANDLER PC

Attorneys at Law

DAVID M. WISSERT Associate

Tel 973.597.2560 Fax 973.597.2561 dwissert@lowenstein.com

July 20, 1998

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jeanne Mathis, AIC
Account Director
Claim and Legal Management Services
The Hartford
Hartford Plaza, T-6
Hartford, CT 06115

Re: Insured: Group R Co., Inc.

Your Account: Marmon Holdings

Site: Coeur d'Alene Basin, Northern Idaho

Insurer: Hartford Accident and Indemnity Company

Insured: Marmon Holdings

Policies: 83X\$102480 (2/1/82 - 10/1/82)

83X\$102640 (10/1/82 - 10/1/83) 83X\$103454 (10/1/83 - 10/1/84_ 83HU\$G0964 (10/1/85 - 11/1/86)

Dear Ms. Mathis:

We have received your letter of July 6, 1998, wherein you acknowledge notice of the above-referenced claim and receipt of our letters of October 31, 1997, and May 27, 1998. In your letter you state that although the anticipated lawsuit was not allowed by the court, you are in the process of "ordering the policies for coverage confirmation in the event future developments implicate the possibility of these policies being impacted." Please provide us with copies of any documents and/or policies that you obtain through your search efforts.

In the meantime, we will continue to monitor the progress of the litigation closely and, as you requested, we will advise you of any relevant developments.

Thank you for your attention to this matter. If you would like to discuss this matter further, please do not hesitate to contact me or Michael David Lichtenstein of this office.

Very truly yours,

David M. Wissert

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Michael David Lichtenstein, Esq.

07068-1791

65 Livingston Avenue Roseland New Jersey



Telephone 973.597.2500 Fax 973.597.2400 LS 003795

www.lowenstein.com

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